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# Security Council

Fifty-fifth Year

*Provisional*

**4133**rd Meeting

Thursday, 27 April 2000, 11.45 a.m.

New York

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| *President*: | Mr. Fowler | (Canada) |
| *Members*: | Argentina | Mr. Cappagli |
| | Bangladesh | Mr. Ahmed |
| | China | Mr. Chen Xu |
| | France | Mr. Doutriaux |
| | Jamaica | Mr. Ward |
| | Malaysia | Mr. Kamal |
| | Mali | Mr. Ouane |
| | Namibia | Mrs. Ashipala-Musavyi |
| | Netherlands | Mr. van Walsum |
| | Russian Federation | Mr. Granovsky |
| | Tunisia | Mr. Jerandi |
| | Ukraine | Mr. Krokhmal |
| | United Kingdom of Great Britain and Northern Ireland | Mr. Eldon |
| | United States of America | Mr. Holbrooke |

## Agenda

The situation in East Timor

00-40657 (E)

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*The meeting was called to order at 11.45 a.m.*

**Adoption of the agenda**

*The agenda was adopted.*

**The situation in East Timor**

**The President:** In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Hédi Annabi, Assistant Secretary-General for Peacekeeping Operations.

There being no objection, it is so decided.

I invite Mr. Annabi to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

At this meeting, the Security Council will hear a briefing by Mr. Hédi Annabi, Assistant Secretary-General for Peacekeeping Operations. I call on Mr. Annabi.

**Mr. Annabi**: Since we last briefed the Security Council, on 21 March, on the activities of the United Nations Transitional Administration in East Timor (UNTAET) there has been steady progress in a number of areas, on which I am pleased to report.

The overall security situation in East Timor has remained relatively stable, and the situation at the border with West Timor has improved since we last briefed the Council. As members of the Council may recall, in March there had been an increase in incursions of pro-autonomy militia members from West Timor. In the last week of March, the Special Representative of the Secretary-General, Mr. Sergio Vieira de Mello, visited Jakarta and raised these issues with senior Indonesian officials, including President Wahid. Since then, militia activity has decreased and cooperation between the military component of UNTAET and the Indonesian armed forces has improved noticeably. On 11 April, a Memorandum of Understanding for Tactical Coordination in the border area was signed by General de los Santos, the UNTAET Force Commander, and General Syahnakri, the Commander of the Indonesian armed forces in West Timor. The memorandum is along the lines of the agreement of 12 January concluded at that time between the Indonesian armed forces and UNTAET. These arrangements have worked well so far, for example, in dealing with occasional inadvertent border crossings by military personnel, including two cases of United Nations helicopters straying into Indonesian airspace.

As regards the refugee situation, during the past month, some 7,000 refugees have returned to East Timor. These returns bring the total number of returnees to a little over 160,000. The Office of the United Nations High Commissioner for Refugees (UNHCR) reports that access to the camps has improved considerably, and the Government of Indonesia has to date been flexible in its continuation of aid to the refugee camps in West Timor. Members of the Council will recall that Indonesia had announced last month that it intended to cease its support to the camps at the end of March due to economic constraints. For its part, UNHCR has requested breathing space, so to speak, for three months to allow time for the refugees to choose freely whether to return or to stay in Indonesia.

According to a survey carried out by the Indonesian authorities, some 126,000 refugees remain in West Timor. This figure is considered by UNHCR and UNTAET to be somewhat high. More precise information will be available when UNHCR completes the registration of the refugees, which is currently under way in collaboration with the Indonesian authorities. This registration exercise is expected to be completed by mid-May. UNHCR reports that yesterday the Indonesian armed forces went to a camp in Kupang and began separating those refugees who had formerly served in the Indonesian armed forces from the civilians in the camp. Approximately 15,000 refugees fall into this category.

Many of the refugees still in West Timor are regarded as having been sympathetic to the pro-autonomy cause, and UNTAET continues to work with local leaders in East Timor to prepare the population for the return of those refugees and to ensure that they are received peacefully when they return. In a positive development, the head of an umbrella organization of former pro-autonomy groups met for the first time with Mr. Vieira de Mello during his visit to Jakarta on 30 March. UNTAET's office in Kupang has maintained contacts with a broad range of former autonomy supporters and has facilitated contacts between individuals on both sides of the border.

Turning to the economic and social conditions in East Timor, they remain a primary concern and will continue to be, given the almost complete destruction of civilian structures and East Timor's limited economic resources, including a serious lack of skilled labour. The inhabitants understandably look to the United Nations to resolve their difficulties and have shown some impatience and sometimes some disappointment at UNTAET's seeming inability to respond to their expectations at a faster pace.

Local expectations in this regard tend to focus on UNTAET's recruitment for public services. A drastic expansion of this recruitment might provide limited, temporary relief, but it would create in East Timor a public sector that the small country would not be able to sustain. UNTAET has increased its efforts to explain to the public its position on this issue, which is fully supported by the National Consultative Council. In this context, a public meeting was held in Dili two days ago, which was attended by representatives of the National Council of Timorese Resistance (CNRT), the Church and youth organizations. Mr. Xanana Gusmão, President of the CNRT, spoke at length about the need to keep the future civil service of East Timor lean and urged the East Timorese to organize themselves in order to avail themselves of assistance being made available to promote private enterprise on the island.

So far UNTAET has registered 1,200 private businesses, and a number of initiatives are under way aimed at restoring trade and business activities and at promoting a favourable business climate. To this end, UNTAET is in the process of establishing an investment promotion unit, which will serve as a focal point for potential investors in East Timor. To encourage East Timorese enterprise, UNTAET, together with the World Bank and Banco Nacional Ultramarino, the Portuguese bank, have signed a small and medium enterprise loan agreement that provides for the disbursement of between $500 and $50,000 in loans to East Timorese entrepreneurs.

UNTAET is in the process of establishing local employment service offices in Dili and Baucau to provide assistance to those seeking employment.

We reported last month on UNTAET's quick-impact project scheme for the repair of local infrastructure, which now provides employment to some 2,750 East Timorese. On 13 April, the World Bank and the Asian Development Bank launched the community empowerment project that we mentioned here at the last briefing. Representatives who will determine the priorities for this work have been elected in 5 of the 13 districts, and the first cash disbursement of $3,000 each was made to the village councils in those districts. About $20,000, on average, will eventually be disbursed per village, based on local project proposals. Bilateral efforts are also under way, including the United States Agency for International Development-funded Transitional Employment Programme, which is designed to create 15,000 jobs for a period of six weeks. Subject to the outcome of this programme, similar follow-on programmes are envisaged.

On reconstruction, some $30 million has been allocated from the World Bank/Asian Development Bank trust fund for emergency reconstruction of roads, ports and power facilities. During the next three weeks, $4 million will be disbursed from the UNTAET Trust Fund for capital expenditures, such as the reconstruction of government premises. The bidding process for 21 priority rehabilitation projects has begun. The total amount will be between $7 million and $8 million. UNTAET has entered into an agreement with the United Nations Office for Project Services (UNOPS) to undertake procurement for the East Timorese Administration for the implementation of these projects.

The National Consultative Council has continued to meet and has held a number of informal sessions on the budget for East Timor. A first draft of a contemporary criminal procedure code for East Timor is under preparation and will be presented shortly to the National Consultative Council. Other items currently under consideration include vehicle registration, the establishment of a broadcasting system, a regulation concerning non-governmental organizations and the establishment of representative offices for foreign Governments. In an effort to promote transparency and broaden understanding of how the National Consultative Council works, East Timorese groups are now being invited to observe its proceedings.

Turning to public administration, the recruitment of civil servants is progressing. Since its inauguration on 25 March, the Public Service Commission has adopted a number of decisions regarding conditions of service, working hours, annual leave, public holidays, maternity and sick leave. The number of public servants receiving stipends from UNTAET pending the establishment of a salary scale has risen from 2,500 to 4,221 since last month. The salaries of some 7,000 primary school teachers are being paid by UNTAET and the United Nations Children's Fund. The number of students attending school has now reached 140,000, which is

about 85 per cent of the number of students who had been enrolled in East Timorese schools before the ballot last August.

To provide greater representation to East Timorese in the administration, suitably qualified and experienced individuals will be hired through the Public Service Commission and appointed as deputy district administrators working closely with the UNTAET District Administrators. Other steps include the formation of provisional district advisory councils to provide the East Timorese with policy advice at the district level.

On 6 April, eight additional judges and four prosecutors were appointed to the judiciary in East Timor. There are now 16 judges and eight prosecutors, including appointments to District Courts in Oecussi and Baucau. Eight public defenders have also been hired.

On 7 April, the Government of Indonesia and UNTAET concluded a Memorandum of Understanding concerning cooperation in legal, judicial and human rights matters. This Memorandum, which represents an important and positive development, provides for mutual assistance between UNTAET and the Government of Indonesia, in particular regarding access to evidence and witnesses, to facilitate the prosecution of crimes. The High Commissioner for Human Rights has sent a mission to Indonesia to develop a project of support for the prosecution of human rights violations, notably those committed in East Timor last year.

I wish to say a word about the present strength of the mission. At present, there are 626 international staff in UNTAET, 1,400 local staff, 228 United Nations volunteers and over 1,100 civilian police officers out of the 1,640 authorized, as well as over 8,000 troops and 198 military observers. UNTAET is currently reviewing the possibility of reducing the strength of the military component starting this summer. The result of this review will, of course, be brought to the attention of the Security Council in due course.

To conclude, I would like to say a few words about the issue of benchmarks that need to be achieved on the path to independence. UNTAET has been consulting closely with the East Timorese on this issue. The key targets which have been identified include the drawing up of a constitution, the election of a legislature and Government, laying the foundations of a legal system and establishing a functioning administration, including the establishment of the judicial system and police, as well as sound financial institutions. In addition, relations with East Timor's neighbours should be put on a sound basis by the time the territory becomes independent.

Another important issue that has recently come to the fore relates to security. It will be recalled that the National Council of Timorese Resistance (CNRT) had originally envisaged that East Timor would not have armed forces, except for security personnel associated with the police. That position has changed and the CNRT is now considering and advocating the establishment of a national defence or security force, including small naval and air components, that would be based on the members of Falintil, who remain, for the time being, cantoned in Aileu. Mr. Xanana Gusmão has written to the Secretary-General on this matter. This is obviously a complex and very sensitive issue, which has domestic as well as external implications. UNTAET is currently studying this carefully in consultation with the CNRT and others concerned. We will revert to it in due course.

The consultations with the National Consultative Council have also been focusing on the sequence in which these matters are to be addressed and to what extent they should be resolved before independence. Understandably, there is considerable debate among the East Timorese on this issue and it will be an important item on the agenda of the Congress of the CNRT, which is scheduled to take place in August.

**Mr. Holbrooke** (United States of America): I thank Assistant Secretary-General Annabi for his second valuable and comprehensive report in the past month on this issue. We are very grateful to him and to you, Mr. President, for your efforts and for your leadership, Sir, in calling for this meeting today.

Before I comment on East Timor, with your permission, Sir, I should like to report to the Council on a conversation I had about 30 minutes ago with President Chiluba concerning the mission of the Security Council to Africa that you have asked me to head.

I want to report to you and to your colleagues, including those here who will be on that mission, that President Chiluba reaffirmed his high degree of enthusiasm for the trip. He asked me to report to you that he considered it a benchmark, important event. He said that the Joint Military Commission would receive the Security Council mission in Lusaka; that there have to be some slight adjustments in logistics and timing on the internal part of the trip, but no change in the arrival time

in Kinshasa; and that there may be — in fact, I think, will be — a need for us to visit capitals other than Kinshasa and Lusaka.

We are now in touch with the United Nations Secretariat to arrange logistics. The United Nations Secretariat will be providing an airplane and I will be consulting each member of the mission on the details. This should not extend the length of the trip, but change some of the interior details. I will keep the Council informed. President Chiluba asked me to express to you, Mr. President, his appreciation for your leadership in getting this project under way.

In regard to East Timor, I want to state again that my Government remains deeply disturbed by Assistant Secretary-General Annabi's reports concerning the relationship between elements of the Indonesian military and the militia operating in the refugee camps in West Timor. We welcome the news that the border is more peaceful than it was when Mr. Annabi reported to us a month ago, and we acknowledge specifically President Wahid's repeated commitments to solving this problem. My Government strongly supports President Wahid in this effort.

Even recognizing that progress has been made, including four weeks without a cross-border incident, I think we must point out to the world and to the Government of Indonesia that the international community is not satisfied yet and that it expects the Government of Indonesia to take additional actions on its own to ensure that this border remains peaceful and to deal with the underlying problems that still threaten stability in both halves of the island of Timor.

Let me be specific. First, while the border agreement signed with the United Nations Transitional Administration in East Timor (UNTAET) was a positive step, the Indonesian military must take the crucial next step and stop all militia activity in areas under their control. This includes closing down militia training camps. When I was there in November I heard first-hand eyewitness accounts of these camps, training in full view in the market places of towns near the border. It also includes disarming the militias, arresting those responsible for infiltrations and discipline in rotating Indonesian armed forces (TNI) troops who are tolerating and promoting these infiltrations.

The United States and other members of this Council again urge the Indonesian Government to fulfil its responsibility to disarm and disband the hardcore militia and to prevent those who would persist in breaking the law, especially the leaders, from doing so by simply moving them elsewhere. The Government must also end, once and for all, any TNI collaboration that still exists with the militia.

I visited some of these refugee camps in West Timor, and I can say, as I have many times before in this Council, that these are really miserable and depressing places. They threaten the health of every man, woman and child in them and the well-being of any person unfortunate enough to be in one of them. I have spoken before about the great need to avoid creating another situation such as that which exists in the Gaza, where refugees have become a permanent feature of the landscape.

Recent reports of returnees are encouraging, but I am pretty puzzled — indeed, very unhappy — when the Office of the United Nations High Commissioner for Refugees (UNHCR) reports, and the United Nations reports, and the Government of Indonesia reports that 80,000 to 100,000 refugees still remain in these camps. Many of them are still not going home because of disinformation, lies and fear; and those who do not want to go home should be encouraged to resettle outside of West Timor.

When I visited the area in November, I said publicly that if these camps still existed in large numbers within three or four months, it would be an international disgrace. It is now five months since that trip, and the numbers are still very high, although somewhat diminished. Therefore, I can only conclude that it is a disgrace and needs to be dealt with.

In saying this, I want to stress that I have the highest regard for President Wahid and for Special Representative Sergio Vieira de Mello and his team, one of whom, my old friend and colleague from the Balkans, Peter Galbraith, is sitting in the Chamber today as part of the United Nations team. I know that they are working vigorously and against all odds, and they are making progress. But progress is still slow six months into UNTAET's mandate. For example, UNTAET signed a Memorandum of Understanding with the Indonesians concerning judicial cooperation, but the East Timorese prisons are in such disrepair and wardens so few that, as Mr. Annabi has alluded to, implementing the Memorandum of Understanding will be difficult.

The Council, therefore, must stay involved to monitor and guide UNTAET and to remind the Department of Peacekeeping Operations (DPKO) that funds must be disbursed in a timely manner, expert staff must be deployed to the field and priorities must be agreed with the East Timorese and implemented quickly. The problems encountered during UNTAET's stand-up illustrate perfectly the need for DPKO flexibility and reform.

In conclusion, and speaking on behalf of my Government, I congratulate President Wahid on travelling to East Timor to extend the hand of friendship, on ordering his generals to resolve the militia problem and facilitate the repatriation or resettlement of refugees and on promoting cooperation with UNTAET on accountability and border management. But let us not forget that good intentions are not sufficient.

We must continue to ask the Government of Indonesia to do everything in its power to break any remaining Indonesian military ties to the hardcore militia and resolve the militia problem. This will help achieve UNHCR's goal of phasing out the current refugee camps in West Timor by 30 June in favour of return and resettlement elsewhere of those who elect not to return.

I want to address, in conclusion, two aspects of the issue: first, benchmarks towards independence referred to by Mr. Annabi and, secondly, the relationship of the East Timor problem to the other peacekeeping efforts of the United Nations at this time.

In regard to the first issue, I know of no more difficult issue for the United Nations and the people of East Timor than deciding when they will take full sovereignty and independence. There is a tide in the affairs of men, as Shakespeare said, which must be taken at the right moment. If we push independence too rapidly, we might have an unfortunate outcome, and if we delay it too long we might have an unfortunate outcome, so this decision is of the utmost importance. We need to discuss it continually and encourage it to take place as rapidly as possible, consistent with the overall situation.

We are launching here what may well be the first new country of the twenty-first century, and the launch should be an excellent one.

In regard to the relationship of East Timor to the other efforts, I would draw the Council's attention to an obvious but central fact, which is that in the last 12 months, the Security Council has authorized the undertaking of, or the substantial expansion of, five major peacekeeping operations on three continents: in East Timor, Kosovo, Sierra Leone, the Democratic Republic of the Congo and now, the impending and virtually inevitable increase in Lebanon. This is a very costly operation for the United Nations and for those countries that pay the bulk of the costs associated with this burden. It stretches the bureaucratic, administrative, managerial and political resources of the United Nations system, and particularly DPKO, to the limits. It stretches the Security Council in a way that is probably without precedent. As we look around the table today, we see clearly that half of our colleagues are not here because they are on the Kosovo mission. The other half of us, with the exception of President Fowler, who is going to stay here and man the fort and Ambassador Wang, who is going to stay here and get ready for his presidency — everyone else in the chamber is on a trip, either to Kosovo or the Democratic Republic of the Congo. I doubt that has ever happened before in a two-week period, and it costs a great deal of money. That is why in the Fifth Committee we have urgently requested that the discussion of how to revise the peacekeeping scale of assessments be undertaken so that we can pay for these operations and we can make them succeed.

Of the big five — and we must not forget that there are over a dozen smaller operations, such as the Peacekeeping Force in Cyprus, which plays an indispensable role in preventing Cyprus from returning to this Chamber as another huge problem — in undertaking these operations we must be mindful that the very future of the United Nations is at stake in one of its core functions — indeed, the very function that President Roosevelt, Winston Churchill and other great leaders in 1945 put at the centre of the United Nations responsibilities.

Despite my earlier comments about the refugees in West Timor, I consider the situation in East Timor one of the encouraging parts of the United Nations system. It is for that reason that I think we should look at it as a model and not allow it to become an indefinite and prolonged mission, but one which we can look to the phasing out of so that we can address our resources and efforts to the other problems as soon as it is practical.

So, Mr. Annabi, I wish you would convey to Mr. Vieira de Mello our Government's very high respect and admiration for what he is doing. I wish that you and your colleagues would make absolutely clear to the Government of Indonesia how critically important it is to

resolve the problem on which I have focused my remarks on today.

**The President**: I thank the representative of the United States for his very useful update on a number of important issues on the Council's agenda.

**Mr. Eldon** (United Kingdom): I would like to thank Assistant Secretary-General Annabi for what has been a most useful, comprehensive and informative briefing.

I think, if I may say so, that the process of reporting on East Timor and the interaction between the Council and the Secretariat as the United Nations Transitional Administration in East Timor (UNTAET) is proceeding is set fair to become a model of the kind of exchanges that I think the Council should be having with the Secretariat, in terms of what — as Ambassador Holbrooke has said — is becoming a large, complex and, I hope, ultimately effective operation. It is clearly extremely important that both sides of the Council/Secretariat equation get this right.

Ambassador Holbrooke has, rightly, drawn our attention to the potential dangers of a deterioration in the security situation in East Timor, and in particular to the concerns that I am sure we all have about continuing Indonesian armed forces (TNI) involvement with the militias in West Timor. As you know, we and other delegations were extremely concerned about this a month or so ago. We took steps — and I know others did as well — to make that concern clear to the Government of Indonesia at the highest level. It is encouraging to note the distinct improvement in the security situation in West Timor, including in the camps. Clearly, we must all hope this will continue. It is clearly also imperative that TNI collaboration with the militias cease. But against the background of the improvement that has occurred, I want to assure you that we of the United Kingdom will be keeping a close eye on developments and doing what we can to ensure that there is no repeat of the unfortunate incidents that occurred some weeks ago.

We also welcome the efforts that have been made — and Mr. Annabi has mentioned several of them — to improve the lot of the remaining refugees in the camps in West Timor and to encourage them to return to East Timor. It is clearly important that the Government of Indonesia should take urgent steps to resolve some of the outstanding issues — for example, the question of pensions — in order to allow all those who wish to return to do so swiftly and safely, and to resettle those wishing to remain in Indonesia. Again, like so many things, there are two sides to this coin. And we must make sure that when the refugees do return to East Timor, they can do so in a way that is both safe and sensible. But those considerations should not be allowed to hold up the process beyond the bare minimum.

Mr. Annabi went into some detail about the debate that has been going on within East Timor about the question of East Timor's future defense needs. This has clearly become an issue, and it is right that it should be addressed — but addressed in a measured, sensible and well-thought-through way. I would like to let the Council know that the United Kingdom, in consultation with the Special Representative, has reoffered to fund an independent expert study to assess future requirements and options, in the hope that this will at least bring some clarity to the debate and allow the discussion to be taken forward on an informed basis.

I was also encouraged to hear the stress that Mr. Annabi laid on the question of benchmarks. The list that he gave us during the briefing was, to my mind, extremely useful because it sets out the parameters of the task. It is clearly important that all those points should be addressed, and addressed properly, if we are to have the success and the launch of the new, independent East Timor that we would all like to see. Here I am sure that Ambassador Holbrooke has got it exactly right: we must not hurry, but we must not allow unnecessary delay either. If we are to get ourselves into a position where we can smoothly carry out the process, it is important that the underpinning should be in place. There are many facets to this, too.

I would be interested to have an update from Mr. Annabi on progress in releasing funds from both the United Nations and the World Bank trust funds. We understand that some progress has been made in this area, but we would urge strengthened coordination between the United Nations and the World Bank to ensure that disbursements are as swift and as effective as possible.

That said, I have to report that we, as the United Kingdom, are becoming increasingly concerned about some bureaucratic delays that seem to be occurring in the context of getting things going in East Timor. Two recent examples that have affected us directly have been long delays in processing United Kingdom nominations for forensic investigators to help in UNTAET's work — and I should add here that I was encouraged to hear from Mr. Annabi of the memorandum of understanding that has

been signed with Indonesia on this question — and in obtaining the necessary paperwork to allow the release of a second tranche of the United Kingdom contribution to the United Nations trust fund.

Delays such as these, as well as causing missed opportunities, can have serious effects. Not only do they delay assistance reaching the mission, but they also cause frustration among donors, both actual and potential. More seriously, perhaps, frustration among the local population will increase if UNTAET is not seen to be delivering quickly enough. I think Mr. Annabi's remarks about expectations are something that we should all bear in mind here. We hope that both the Department of Peacekeeping Operations and UNTAET will conspire between them to eliminate unnecessary and time-consuming bureaucracy and improve coordination, both between the mission headquarters and internally in the Secretariat.

I would not wish to end my statement on a sour note. What I have just said is not meant to be criticism, it is meant to help. We should not disguise the considerable achievements that have been made by both Sergio Vieira de Mello and his team and by those in New York who are backstopping the operation here. We all owe a great debt to them, and particularly the East Timorese people owe a similar debt. We hope that they will continue to take the operation forward in the inspired way that they have done up to now. We continue to wish them the greatest success, and I want to assure you that they can be assured of our full support.

**Mr. Doutriaux** (France) (*spoke in French*): Allow me, like previous speakers, to thank Mr. Hédi Annabi for the briefing he has given us on the situation in East Timor. I should like to thank the Secretariat and the Special Representative of the Secretary-General, Mr. Vieira de Mello, for the significant amount of work done since last September in East Timor. There were huge difficulties: the infrastructure was destroyed, the population became dispersed, and there were real social problems and a certain trauma felt by the people. Also, as Ambassador Holbrooke and Ambassador Eldon have said, we can only note that this situation is improving; I believe they used the expression "encouraging situation". I think that Ambassador Holbrooke also indicated that what we are doing in East Timor could serve as a model.

Of course, there are still enormous difficulties. Mr. Annabi has described them to us. Members of the Council are aware of them, and this is partly due to the useful practice of our having Secretariat reports on situations. But, in spite of the considerable problems, we note that there has been an improvement inter alia, in the security issue.

Among the continuing difficulties, about which Mr. Annabi has spoken with us at some length, as have the two previous speakers, there is the problem of refugees remaining in West Timor. Of course, their number has decreased since Ambassador Holbrooke visited the camps in West Timor, but approximately 100,000 are still in West Timor. In this connection, I have a question for Mr. Annabi. Among those refugees, there are a number of former officials of the Indonesian administration of East Timor. I understand that the Indonesian authorities have guaranteed payment of retirement pensions to those former officials. Can Mr. Annabi tell us, in the event that those refugees wish to come back to East Timor — which, of course, one would hope does happen, and some of them might then offer their expertise to the administration of East Timor — then what would happen to pensions paid to them by the Indonesian authorities?

I have a second question for Mr. Annabi, about the economic aspect. As we know, there are huge economic difficulties, and it is difficult to re-establish a real economy in East Timor. I am led to understand that the United Nations administration is in contact, *inter alia*, with the Australian authorities on delimiting the maritime border and especially on the allocation of underwater resources along that border. Could Mr. Annabi tell us about the current status of these interesting talks on the exploitation of seabed deposits lying between East Timor and Australia?

On the question of the important issue evoked by Mr. Annabi and Ambassadors Holbrooke and Eldon — that is, the future of the United Nations presence in East Timor, and more precisely the date of independence — we agree with the remarks that have been made today; it is very difficult to determine the right time for this. But I did want to say that, first of all, one has to hear from the Timorese themselves. It is, after all, a little bit up to them — and perhaps Mr. Annabi could tell us more about this. When I say it is "a little bit" up to them, this is, in fact, a euphemism; it is, above all, up to them to tell us — and right now is undoubtedly not the time — the moment when they consider themselves ready to assume their responsibilities of independence.

**Mr. Cappagli** (Argentina) (*spoke in Spanish*): First of all, I would like thank the Assistant Secretary-General for Peacekeeping Operations, Mr. Annabi, for the comprehensive and useful information he has provided.

This week we note that six months have passed since the creation of the United Nations Transitional Administration in East Timor (UNTAET). It is evident that a task of great magnitude has been carried out, setting up the bases and starting points for a future independent East Timor. I would like once again to express my country's gratitude to Mr. Sergio Vieira de Mello and to all UNTAET personnel for their excellent performance. I would also like to highlight the positive attitude of the East Timor leadership throughout this process.

This positive trend is confirmed by the fact that, in the last 15 days, UNTAET has signed two memorandums of understanding with the Indonesian authorities on topics of fundamental importance. The first memorandum, on cooperation in judicial, legal and human rights matters, will facilitate the investigation and prosecution of those responsible for the violence that occurred in 1999. The second memorandum, on coordination in the border area, was signed between the Indonesian military authorities and UNTAET; its principal objective is to improve the situation in security matters and to build trust along the terrestrial borders of East Timor. This is undoubtedly a significant step forward.

We would like to congratulate the Indonesian authorities for their renewed commitment to cooperate with the United Nations on matters of such importance, and we appeal to them to fully implement both the letter and the spirit of the agreements so that their commitments will be translated into concrete measures in the field.

Unfortunately, in recent times we have also noted an increase in social tension as a result of the precarious employment and economic situation of most Timorese. We trust that the many assistance programmes implemented by international organizations, non-governmental organizations and Governments will improve the situation. Nevertheless, we believe that the United Nations must redouble its efforts to convey a message of reassurance to all Timorese. To this purpose, a broadcast network in Tetun, Portuguese and Bahasa must be set up, and it must be accessible to 100 per cent of the territory's inhabitants.

**Mr. Granovsky** (Russian Federation) (*spoke in Russian*): We join in expressing our thanks to Mr. Annabi for his very informative briefing containing an important assessment of the situation in East Timor.

In Russia, together with all of the international community, we continue to closely follow developments in and around East Timor. Yes, there are still serious problems, described in earlier statements. Of course, this is natural, but the overall stable trend is a positive one. What is important is that the problems are being solved — not as quickly as we would like, but significantly — and stable progress is evident.

One of the most notable achievements recently was the signing of the two important memorandums that the representative of Argentina mentioned. We believe that the Indonesian side, which signed these agreements with representatives of the United Nations Transitional Administration in East Timor (UNTAET), confirmed once again that there is the political will to find a final settlement of the East Timor problem.

We also consider it important to emphasize that the successful work of UNTAET is, to a large extent, the result of able leadership provided by the Special Representative of the Secretary-General, Mr. Sergio Vieira de Mello.

In conclusion, I should like to express the hope that the United Nations presence in East Timor will continue to be as productive as it is today.

**Mr. Ouane** (Mali) (*spoke in French*): I would like to thank Mr. Annabi for his update on the situation in East Timor. I would also like to focus my statement on a few issues. First, I would like to express our serious concern, and our agreement with what Mr. Annabi has said regarding the lack of resources and the slow progress in making them available for field activities relating to reconstruction and other aspects of the programme of the United Nations Transitional Administration in East Timor (UNTAET).

My delegation considers that the highest priority is the need to provide viable economic opportunities for the people of East Timor in order to assure them all that they can indeed work and live together in a reconstructed country.

With regard to the security situation, I would like to emphasize the need to accelerate the setting up of a civilian police force to deal with the increase in crime. In that context, we would appreciate further comments from Mr. Annabi on that subject.

With regard to the issue of refugees, we are gratified that they have been returning, and the momentum would be furthered if the development and reconstruction projects financed by the World Bank's special trust fund start to function and have a tangible effect.

In the same context, we consider it a high priority to ensure the financing by the United Nations and special trust funds for humanitarian needs, of rapid start-up projects to provide employment and to enable returnees as well as those who remained behind to actively start to rebuild their own country.

We also commend the remarkable progress made in the implementation of consultative machinery to ensure the full participation of the East Timorese in the decision-making process, particularly at the central level.

Finally, I would like to conclude by paying tribute to Mr. Sergio Vieira de Mello and his entire team for their work, and I wish to express the hope that the presence of the United Nations will lead, in an assured and appropriate manner, to independence.

**Mr. Ahmed** (Bangladesh): Let me begin by expressing our warm thanks to Mr. Hédi Annabi for his comprehensive briefing on the situation in East Timor, and here I would also request Mr. Annabi to convey my delegation's sincerest appreciation and admiration to Mr. Sergio de Mello and his team for the excellent work he has done in East Timor.

Since our last briefing on the situation in East Timor, there has been some significant development relating to several issues on the island. First, with regard to the deployment of civilian police monitors, we have noted with satisfaction that the rate of deployment has picked up. It is understood that over 1,100 civilian police officers have so far been deployed out of an authorized total of 1,640.

Secondly, on the question of the return of refugees, we commend the Government of Indonesia for extending the deadline for the return of refugees by three months. We also express appreciation for its decision to continue humanitarian assistance to the refugees. One significant event is the return of ex-combatants. Their return and subsequent settling down in East Timor will be a process indicative of how the issue of national reconciliation would unfold. We believe that these returnees should be provided safety and security, and the role of the National Council of Timorese Resistance (CNRT) in ensuring this will be critical. That in turn will, on the one hand, convince others to return, and on the other, will augur well for the establishment of the rule of law.

On the security situation, we welcome the agreement signed between the United Nations Transitional Administration in East Timor (UNTAET) and the Government of Indonesia on improved coordination in the border areas between East and West Timor. We believe this agreement will stabilize the situation in those areas and will have a salutary effect on cross-border incursions and on the return of refugees. The joint inspection tour of the border areas by the Indonesian army and the United Nations peacekeeping command is a positive development. It is also heartening to note that the general law and order situation has improved. The establishment of district advisory councils should provide UNTAET with the opportunity to involve the local population in various matters of governance, including law and order. We welcome the decision to appoint as many women as possible to these councils and, as on earlier occasions, we strongly support this decision.

As regards civil and judicial administration, the organization of the Public Service Commission and the induction of East Timorese members, as well as the continued training and appointment of judges, mark the beginning of the transformation of UNTAET into the East Timorese civil administration. We are of the opinion that for the local population nothing would count more towards achieving self-confidence and esteem than the ownership of the nation-building efforts. We look forward to the early activation of the judiciary in East Timor. We are happy to note that UNTAET has started the recruitment of prison personnel, which will go a long way in establishing a criminal justice system in the territory.

With regard to the poverty and unemployment situation, it is perhaps by far the most difficult problem that UNTAET has faced. This issue has also very recently generated heightened concern in the media, with the potential of undoing all that has been achieved by UNTAET. We urge everyone concerned to do their best in helping the UNTAET administration address the issue of poverty and unemployment. The centralized job bank is an innovation that we trust will be able to make a dent

in the situation. We commend the clean-up projects funded by the World Bank, the United Nations Development Programme and the United States Agency for International Development which will provide employment in the short term and have a positive impact on health and the environment.

Finally, looking ahead on the issue of national unity and reconciliation, it is important that the East Timorese population on both sides of the mental divide see themselves as partners in progress. A process of national reconciliation imbued with a sense of pragmatism, fairness and justice would perhaps help them put the past behind them. It is commendable that the CNRT has striven to keep this aspect in mind. The judicial cooperation between UNTAET and the Indonesian authorities will greatly facilitate the investigation of human rights violations and also instil a new realism in the minds of the people about cooperation and mutuality of interests between Indonesia and East Timor, for the present and the future as well.

**Mr. Mohammad Kamal** (Malaysia): First and foremost, my delegation would also like to express its appreciation to Mr. Annabi for the comprehensive and informative update on the developments in East Timor, particularly the improved security situation. We believe it is always important for Council members and the general United Nations membership to be informed of the developments and efforts made by the United Nations Transitional Administration in East Timor (UNTAET), as this will provide an opportunity for Member States of this Organization to make an assessment of the progress made thus far. In this regard, we would like to thank you, Mr. President, for holding this open briefing, which my delegation fully supports.

We welcome the Memorandum of Understanding signed recently between UNTAET and the Indonesian Government on cooperation to maintain security along the border. We are convinced that adherence to its guidelines will help avoid the recurrence of any untoward incident and ensure safety and security on the border while facilitating the repatriation of the remaining refugees from West Timor. My delegation wishes to express its support for the efforts being made by UNTAET to create employment and rebuild infrastructure in East Timor. It is reassuring to note that some projects have begun. However, we cannot but notice that many more have not got off the ground.

This seems to be the main concern of the people of East Timor, as slow progress has made them impatient and disgruntled, given the high hopes and expectations for economic and social salvation by the United Nations. In fact, the sense of frustration among the East Timorese was recently highlighted by the media. Persistent efforts must therefore be pursued to accelerate disbursement of funds for reconstruction projects, as delays will only lead to malaise and discontent.

My delegation strongly believes that it is imperative that the East Timorese be involved in the planning and execution of these programmes, as this will instil a sense of ownership, pride and responsibility regarding those projects. This will also prevent the culture of dependency from becoming entrenched and rooted in the community. The local population must be given the opportunities and facilities to be the main implementers of these programmes. At the same time, the international community owes it to the East Timorese to help them see the whole process through, until the birth of a stable, independent and sovereign nation.

We believe that UNTAET must address the growing discontent and desperation among the population to ensure that it does not lead to violence and lawlessness. This would only destabilize the fragile situation, which would be exploited by elements of the militias.

We also welcome Indonesia's decision to allow the extradition of criminals to East Timor and to share witnesses and evidence with UNTAET. This will help facilitate efforts to bring the perpetrators to justice and ensure that nobody can escape punishment for their crimes. The Memorandum of Understanding is the kind of cooperation that is needed between Indonesia and its neighbour to resolve the questions of accountability and spheres of jurisdiction over criminals and aggressors in Indonesia and East Timor.

Finally, we wish to reiterate Malaysia's support for the rehabilitation and reconstruction of East Timor, and in this regard to express our appreciation to Mr. Sergio Vieira de Mello and his team for their work thus far. Malaysia has been consulting with the East Timorese leadership and received Mr. Sergio Vieira de Mello just two days ago; we understand Mr. Vieira de Mello met our Prime Minister and Foreign Minister.

As a concerned neighbour, Malaysia has assured Mr. Xanana Gusmão, who visited Malaysia two months ago, and Mr. Vieira de Mello of Malaysia's preparedness to assist East Timor to the extent possible. We look

forward to forging a close and constructive relationship with East Timor in the pre- and post-independence period.

**Ms. Ashipala-Musavyi** (Namibia): Let me also start by thanking Mr. Annabi for the comprehensive briefing he gave us on East Timor.

At the outset, my delegation would like to pay tribute to Mr. Sergio Vieira de Mello and the staff of the United Nations Transitional Administration in East Timor (UNTAET) for their accomplishments so far and for the solid foundation created to date for the reconstruction and administration of East Timor. We recognize indeed the daunting task that they and the international community face, a situation that is exacerbated by, among other things, the very high expectations of the East Timorese people. In this regard, the constant efforts of Mr. Vieira de Mello and the East Timorese leaders to promote confidence-building and reconciliation are noted and are very welcome. At the same time, the consultations and participation of the East Timorese at all levels in decision-making mechanisms remain crucial to ensure the success of future projects.

My delegation is glad to note a recent report of the Office of the United Nations High Commissioner for Refugees, which states that life has returned to normal in most areas in East Timor and that children attending school is a familiar sight in villages. However, we also recognize the other socio-economic problems that remain, such as large-scale unemployment and the potential consequences this situation can have on security. I believe this point was adequately elaborated on by Mr. Annabi. No doubt there is an urgent need to address the situation, and the continuing efforts of UNTAET through job creation and other empowerment projects are welcome.

My delegation is satisfied with the general security situation, although cross-border incidents remain a concern. We are, however, confident that the measures being adopted, such as the recent signing UNTAET and Indonesia of a Memorandum of Understanding on security, boundary-crossing, the passage of refugees and the provision of humanitarian assistance along the border of East and West Timor will indeed go a long way towards improving the situation. We therefore hope that improved border safety will further speed up the safe repatriation of refugees to East Timor.

**Mr. Chen Xu** (China) (*spoke in Chinese*): I wish at the outset to thank Mr. Annabi for his comprehensive briefing. The Chinese delegation is happy to see that the situation in East Timor is generally stable. We also appreciate the great efforts made by the Special Representative of the Secretary-General, Mr. Vieira de Mello, and his team under very difficult circumstances. The task of reconstruction in East Timor is a daunting one. With the help of international financial agencies, the United Nations Development Programme and donor countries, reconstruction is now under way in some major areas, such as infrastructure, education, public health, agriculture and telecommunications.

We are also happy to see that the National Consultative Council is now conducting its work fairly smoothly. We believe that this is a good way to enable the local population to participate in the decision-making process. At present there is a serious lack of skilled personnel and civil servants, especially civil and judicial personnel. We hope that the United Nations Transitional Administration in East Timor (UNTAET) will work even harder in training the local population in this regard.

We believe that only reconciliation and stability in East Timor will ensure its reconstruction and independence. In this respect, some problems and difficulties remain. We hope that the various parties in East Timor will continue to work in earnest towards their solution.

We are concerned about the question of refugees remaining in West Timor. We hope that UNTAET will continue to seek solutions to this issue through consultations with the Indonesian Government. We also welcome the measures taken by the Indonesian Government to ensure security along the border with East Timor.

When Mr. Vieira de Mello visited China in mid-April, we reiterated China's support for UNTAET. We will continue to provide personnel and financial assistance to the extent possible.

**Mr. Ward** (Jamaica): My delegation joins in thanking Mr. Annabi for his briefing on the latest developments in East Timor. We also wish to extend our appreciation to you, Mr. President, for the manner in which you have presided over the Council this month.

Mr. Annabi's briefing brings us to recognize that there are numerous and difficult challenges still facing the United Nations Transitional Administration in East Timor (UNTAET), as well as the people of East Timor, in laying the foundations for the development of an independent country. We wish to commend UNTAET for

its work and the people of East Timor for their continuing will and determination to see the process through to fruition.

My delegation has taken note of the recent developments in East Timor in laying the foundation for the future development of the country. Among these are the announcement by UNTAET that East Timorese would be appointed to top administrative positions in the new administration and the establishment of advisory councils, which will provide regular forums for exchanges of views between UNTAET and district representatives. We are pleased that these advisory councils will allow East Timorese to voice their concerns on issues such as development, law and order, infrastructure and public service, as well as humanitarian issues, and will have broad-based representation. These developments are further steps towards creating a sense of ownership among the East Timorese people, which will ensure that no gaps are created when the current Transitional Administration ultimately places control in the hands of the East Timorese people.

We are pleased with reports that militia activities have decreased and that relations between UNTAET forces and the Indonesian armed forces have improved considerably. This augurs well for the future of East Timor. We are also pleased that the return of refugees continues at a steady pace, but we are concerned that so many refugees still remain in West Timor refugee camps. We look forward to a final resolution of the refugee problem as soon as possible.

Employment continues to be one of the most critical issues facing East Timor as the territory attempts to rebuild its economy after the destruction and devastation of last year. The reality is cause for grave concern. It is disturbing to note that approximately 80 per cent of the population of East Timor is unemployed. If this precarious economic and social situation persists, it will undoubtedly lead to further increases in criminal activity. The recent job creation project which was launched on 1 April by UNTAET, the United Nations Development Programme and the World Bank should have a positive effect on the employment situation. Community participation, which the project requires, is, in our view, a good opportunity to engage local communities in building efforts. Recent developments, such as the signing of the Memorandum of Understanding between UNTAET and the United States Agency for International Development, will also contribute to the involvement of local communities.

It is important to recognize that short-term, quick-impact and labour-intensive projects should be seen in the context of their contribution to the long-term sustainable development of East Timor. These projects cannot be seen as ends in themselves, but are designed to lay the proper foundations and create the necessary conditions and infrastructure which will allow the East Timorese people opportunities to obtain gainful employment in the future.

The restoration of health services in East Timor is critical. We have observed that access to basic health services, developing health legislation and instituting management systems have been given priority attention. In this regard, the plan to restore health services in the territory is indeed timely.

Those responsible for gross human rights violations in East Timor must be brought to justice. Last month, we welcomed the decision by the Government of Indonesia to invite three respected human rights groups to join investigators in probing human rights violations in East Timor. The recent agreement between UNTAET and the Government of Indonesia to cooperate in judicial and human rights matters is encouraging and will certainly facilitate joint efforts to investigate and prosecute the human rights violators. These efforts must continue in earnest.

Jamaica attaches great importance to the reconciliation process in East Timor. We note recent reports of the return of former militia members and combatants to their communities — an essentially smooth process, to the credit of the East Timorese, who are determined to heal their society.

There is much that remains to be done in East Timor. The United Nations is seeking to create the proper foundation for this work. While recognizing that significant change cannot be expected overnight, we continue to support UNTAET's work in this regard.

**The President:** I thank the representative of Jamaica for his generous words addressed to me.

**Mr. Krokhmal** (Ukraine): Like previous speakers, I would like to thank Mr. Annabi for his informative briefing on the latest developments in East Timor.

My delegation shares most of the views that have already been expressed this morning, in particular those relating to security issues. Allow me now to make brief remarks only on certain points which my delegation considers to be important.

We share the concerns about the economic and social conditions in East Timor. Of course, their substantial improvement will come about only through the persistent efforts of the international community. In this connection, we welcome the fact that the United Nations mission in East Timor, the World Bank and the United Nations Development Programme have signed a grant agreement on the project to increase the rate of employment in the poorest communities of the city of Dili, as well as the introduction by the mission and the United States Agency for International Development of an emergency scheme that will enable districts to hire local staff on a short-term basis.

We are pleased to note that Special Representative Sergio Vieira de Mello has signed the instructions establishing district advisory councils. We feel sure that these will be of value in moving forward the dialogue between the United Nations Transitional Administration in East Timor (UNTAET) and district representatives.

Turning to the Memorandum of Understanding on cooperation in legal, judicial and human rights matters, my delegation supports the cooperative approach shown by the parties towards the investigation of the violence and human rights abuses and the prosecution of those responsible for them. Clearly, UNTAET and the Government of Indonesia have much to occupy themselves with in order to have in place a proper political framework which supports and facilitates a restoration of justice in East Timor.

As this briefing indicates, the number of refugees returning from West to East Timor has decreased significantly this month. Obviously, because of deterioration of basic services and uneven food distribution in the Indonesian-run refugee camps in West Timor, there has been a problem of sporadic food rations in the past three months. The Indonesian Government supplies roughly 10 per cent of the food that the refugees need, while the World Food Programme covers 45 per cent and the Catholic Relief Services handles the rest.

We are concerned with this situation. Since last October more than 158,000 refugees have returned to East Timor, including 30,000 who have returned this year. According to the Indonesian authorities, there are still 134,000 refugees in West Timor. We believe that the resolution of the problems of unemployment and the valuable reintegration of refugees into East Timorese society will facilitate their return.

A high rate of unemployment remains a serious problem and is also causing the increasing crime rate. Timely and complete civilian police deployment is very important in this regard. I am pleased to inform you that the Ukrainian rapid reaction police unit has this month joined the civilian police component of UNTAET. We believe that implementation of the reconstruction and development projects will create new job opportunities and eventually will be a substantial contribution in terms of internal stability within East Timor society.

It is also of critical importance now to stop the cross-border incidents along the border with West Timor. In this regard, we are pleased to note the efforts undertaken by the Indonesian Government to clamp down on the militia activities in West Timor, and we urge it to continue such efforts.

In conclusion, Mr. President, let me pay tribute to the Special Representative, Mr. Sergio Vieira de Mello, and the United Nation staff for their efforts, which my delegation strongly supports.

**Mr. van Walsum** (Netherlands): We too are grateful to Assistant Secretary-General Annabi for his comprehensive briefing, and we also wish to thank you for having called an open meeting on the issue of East Timor, an issue which, by its nature, lends itself well to discussion before the full membership of the United Nations. Apart from thus underpinning the trend towards greater transparency of the Council proceedings when transparency is useful, which is so dear to the Canadian presidency's heart, it also makes it clear to everyone that the United Nations and its Security Council are committed to making a success of their involvement with East Timor.

We are conscious of the fact that we are not just dealing with the future of the people of East Timor but that also the reputation of the Security Council of the United Nations itself is at stake. Precisely because this Council acted so expeditiously during the crisis of September 1999, the world is now watching to see whether the United Nations can do the job of getting East Timor started on its way to independence.

East Timor demands our constant attention, but it also requires financial support. The International Herald

Tribune of 26 April 2000 carried a collective contribution by Xanana Gusmão, Sven Sandstrom, Shigemitsu Sugisaki and Sergio Vieira de Mello, and in this article the need for donor support is also emphasized. In this connection, it is my pleasure to state that in addition to the $19 million we have made available in response to the Office for the Coordination of Humanitarian Affairs (OCHA) appeal, the Netherlands will shortly deposit about $2.2 million in the UNTAET Trust Fund.

International support may be a necessary precondition for success. It alone is not sufficient. It is also crucial that the East Timorese population supports the process of reconstruction and that it continues to believe in it. Therefore, it would seem necessary that the East Timorese understand what the obstacles are in the process and the limitations to what the United Nations and other organizations can do within a given period of time.

Several speakers have made mention of the recent media reports which indicate that a certain disillusionment with the United Nations efforts is taking root in East Timor because the people do not see concrete results in their everyday lives. When I suggest that we should take these reports seriously, I am not at all suggesting that UNTAET is not doing its job. Quite on the contrary, UNTAET is doing splendid work and deserves our profound admiration.

We all know the circumstances of utter destruction and neglect in which the Transitional Administration had to begin its very complex task. It is also true that the absence of any kind of structure required an enormous amount of preparatory work which has remained invisible to outsiders. Nevertheless, if there is a problem of increasing disillusionment or demoralization among the population of East Timor, then it is, by definition, our business. It is an issue with which UNTAET and the international community as a whole will have to deal.

Perhaps there may be a need for more visible projects and a stepped-up information campaign. In any case, the objective must be that the East Timorese themselves acquire a greater sense of ownership with regard to the process. The article I just referred to points out that the key to success is the participation of the East Timorese people in all aspects of the efforts currently underway in East Timor. Of course the cooperation in the National Consultative Council is an important aspect of East Timorese participation, but it is not easy to assess to what extent this involvement at the top gives the broad mass of the people of East Timor a sufficient feeling of influence, codetermination and contribution.

I realize that there are obstacles in the way to a greater involvement of the people, not the least of which may be the lack of suitably qualified East Timorese personnel. According to the article I mentioned, the search for qualified personnel is under way and training is being provided. I would be grateful for more specific information in that regard.

The United Nations is currently concentrating on domestic civilian reconstruction, and rightly so. Nevertheless, we should realize that external peace and security are also essential. Several aspects are relevant in this respect. First, good bilateral relations with Indonesia — they depend on both sides, and the first steps have given rise to optimism. Secondly, integration in the wider region would also seem a prerequisite — including, possibly, membership in the Association of South-East Asian Nations (ASEAN), if ASEAN members should so decide.

The international community cannot remain silent on the issue of the many thousands of refugees who still remain in West Timor. We have a whole series of questions on this issue, such as how many of those refugees have expressed the wish to return to East Timor? What are the prospects for their return? Are the international aid organizations in a position to deliver effective support to the camp dwellers? Are the Indonesian authorities sufficiently cooperative, including in restraining the remaining militias? Our information indicates that the militias still enjoy relatively unrestrained freedom of action. It is disconcerting that more than half a year after the decision of the Indonesian People's Consultative Assembly, which the Security Council welcomed on 25 October 1999, the situation of the refugees in West Timor continues to be a source of concern.

Let me conclude by quoting the final paragraph of the article I have already quoted three or four times:

> "After the horrors of the past, East Timor has a just claim to an international commitment to concrete assistance, rapid response and respect for the aspirations to self-determination."

**The President**: I thank the representative of the Netherlands for his kind words addressed to me and, indeed, to the principle of transparency in the work of the Security Council.

**Mr. Jerandi** (Tunisia) (*spoke in French*): I would first of all like to thank Mr. Annabi for his comprehensive presentation.

It seems clear that, despite some remaining difficulties, the security situation is generally becoming more stable, particularly with the decrease in militia activity. We would like to underscore the goodwill displayed by the Indonesian Government in its cooperation with the United Nations, and the assistance it is providing for the return of refugees as a result of the memorandum of understanding it signed on refugee returns and border security issues.

The assistance of the international community in this area is very important. It is also equally helpful in reconstruction and in creating an economic environment conducive to the return to normalcy. We congratulate the United Nations Transitional Administration in East Timor (UNTAET) on the initiatives it has undertaken in various areas through Mr. Vieira de Mello's know-how, particularly in creating an environment favourable to investment and in setting up micro-projects to create employment.

The entire political process in Timor in fact depends on the solidity of the financial institutions. In this connection, we think that United Nations and World Bank disbursements should take place quickly given the importance of funds in preventing an increase in social tensions. My delegation believes that particular importance should be given to this aspect.

**The President**: I will forego making a statement in my national capacity, as previous speakers have amply and effectively registered the points I might have made on behalf of Canada.

I am pleased, therefore, to give the floor to Mr. Annabi so that he may respond to comments and questions addressed to him.

**Mr. Annabi**: As it is rather late, I will try to be brief.

I will of course be happy to convey to the Special Representative the expressions of appreciation for his work that have echoed around the table, as well as the concerns mentioned by some members of the Council regarding the continuing activities of the militias and the situation in the refugee camps in West Timor.

On the issue of disbursements, which has been mentioned by some members of the Council, we share the concerns expressed about the pace of the disbursements and the bureaucratic hurdles that have to be overcome in the process. Those expressions of concern are actually helpful to those of us who are trying to get around some of these problems and to resolve them as expeditiously as our rules and regulations will allow.

At this time, the United Nations trust fund has received some $24 million, of which $14 million has now been allotted and approved for expenditure. We will continue to work actively with the mission on the ground and with the World Bank to accelerate the pace of disbursements on the ground. I understand that requisitions for expenditures against the trust fund for large capital-expenditure projects are now out for bidding, and that some $4 million will be spent over the next three weeks; and that bids for another $7 or $8 million, for rehabilitation, will be allocated to 21 buildings of the East Timorese police and administration that need to be refurbished. Of course, the salaries of civil servants — the number of which is growing — will continue to be paid.

I also want to mention in this regard that the Controller has authorized loans from the trust fund for the implementation of World Bank projects, pending the completion by the World Bank of its own procedures regarding the disbursement of funds in its own trust fund. These efforts will continue, and we will keep the Council informed.

With regard to pensions, this is an issue that is being discussed on a continuing basis with the Government of Indonesia, which has so far agreed to pay pensions to former civil servants until independence. What we would like to obtain, of course, is an agreement to pay pensions beyond independence and an agreement to pay pensions on a pro rata basis for former civil servants who worked in the previous administration in East Timor, as that would of course encourage them to go back. Some of those former civil servants could be of great help. Those discussions will continue and, again, we will keep the Council informed in this regard.

Concerning the issue of the Timor Gap, members of the Council may recall that last February UNTAET and Australia concluded a memorandum of understanding that extended the terms of the Australia/Indonesia Timor Gap Treaty for the duration of the transitional period. The National Council of Timorese Resistance (CNRT) has

indicated that it cannot continue under the terms of the old Timor Gap Treaty after independence. In close cooperation with the CNRT and the National Consultative Council, UNTAET is conducting negotiations with Australia on a regime that would govern the Timor Sea oil and gas reserves after independence. The first round of these discussions was held in March, last month, and we anticipate that a second round of discussions will take place in May or June. These negotiations have proceeded so far in a constructive manner, and we hope that they will lead to an agreement that will be consistent with current international law on the settlement of maritime boundary issues.

I think, Mr. President, that I will stop here. That covers most of the questions.

**The President:** I think it does, Mr. Annabi, and I thank you very much for the clarifications and responses that you have just made.

There are no further speakers inscribed on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

*The meeting rose at 1.30 p.m.*